

HOUSE BILL 3178  
By Harwell

AN ACT to amend Tennessee Code Annotated, Title 2,  
Chapter 10, relative to campaign expenditure  
limits.

WHEREAS, the general assembly finds that:

- (1) Candidates are being forced to spend inordinate amounts of time fundraising;
- (2) Fundraising requires candidates to give preferred access to contributors over non-contributors;
- (3) The system of increasing campaign expenditures hinders the debate of issues, candidate interaction with the candidate's constituents, and public involvement and confidence in the electoral process; and
- (4) Campaigns are becoming too expensive, and as a result many Tennesseans are financially unable to seek election to public office; and

WHEREAS, the general assembly passed contribution limits in 1995 and the above problems have not been solved; now, therefore,

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 2, Chapter 10, Part 3, is amended by adding the following as a new, appropriately designated section:

2-10-3\_\_.

(a) The following campaign expenditure limitations shall apply to all candidates for all state elections starting with the 2008 election cycle, whether such candidate is financing such candidate's campaign from contributions, or from the candidate's own resources or that of the candidate's immediate family:

(1) A candidate for governor shall limit campaign expenditures to no more than five million dollars (\$5,000,000) in any two-year election cycle;

(2) A candidate for state senator shall limit campaign expenditures to no more than one hundred fifty thousand dollars (\$150,000) in any two-year election cycle; and

(3) A candidate for state representative shall limit campaign expenditures to no more than seventy-five thousand dollars (\$75,000).

(b)

(1) A related campaign expenditure made on a candidate's behalf shall be considered an expenditure by the candidate on whose behalf it was made. However, if the expenditure did not exceed fifty dollars (\$50.00), the expenditure shall not be considered an expenditure by the candidate on whose behalf it was made.

(2) For the purposes of this section, a "related campaign expenditure made on the candidate's behalf" means any expenditure intended to promote the election of a specific candidate or group of candidates, or the defeat of an opposing candidate or group of candidates, if intentionally facilitated by, solicited by, or approved by the candidate or the candidate's political campaign committee.

(c) An expenditure made by a political party, or by any political campaign committee that recruits or endorses candidates, that primarily benefits six (6) or fewer candidates who are associated with the political party or political campaign committee making the expenditure, is presumed to be a related campaign expenditure made on behalf of those candidates. An expenditure made by a political party, or by a political

committee that recruits or endorses candidates, that substantially benefits more than six (6) candidates and facilitates party or political committee functions, voter turnout, platform promotion, or organizational capacity shall not be presumed to be a related campaign expenditure made on a candidate's behalf. In addition, an expenditure shall not be considered a "related campaign expenditure made on the candidate's behalf" if all of the following apply:

(1) The expenditures were made in connection with a campaign event whose purpose was to provide a group of voters with the opportunity to meet the candidate personally;

(2) The expenditures were made only for refreshments and related campaign supplies that were consumed at that event; and

(3) The amount of the expenditures for the event was less than one hundred dollars (\$100).

(d) A candidate may seek a determination that an expenditure is a related campaign expenditure made on behalf of an opposing candidate by filing a petition with the chancery court of the county in which either candidate resides. Within twenty-four (24) hours of the filing of a petition, the court shall schedule the petition for hearing. Except as to cases the court considers of greater importance, proceedings before the chancery court, as authorized by this section, and appeals therefrom, take precedence on the docket over all cases and shall be assigned for hearing and trial or for argument at the earliest practicable date and expedited in every way. The findings and determination of the court shall be *prima facie* evidence in any proceedings brought for violation of this section.

(e) If a candidate for the office of governor is an incumbent of the office being sought, the candidate shall be permitted to expend only eighty-five percent (85%) of the amount allowed for that office under this section. If a candidate for the general assembly is an incumbent of the office being sought, the candidate shall be permitted to expend only ninety percent (90%) of the amount allowed for that office under this section.

(f) For purposes of this section, the term "candidate" includes the candidate's political campaign committee.

(g) The expenditure limitations in this section shall take effect for the 2008 election cycle. The expenditure limitations contained in this section shall be increased to the nearest dollar amount to reflect the percentage of change in the average consumer price index (all items-city average) as published by the United States department of labor, bureau of labor statistics. Increases shall be rounded up to the nearest one hundred dollar (\$100) amount. Increases shall be effective for the first campaign cycle beginning after the general election held in November 2008. On or before July 1 of each odd-numbered year, the registry of election finance shall calculate and publish the amount of each limitation that will apply to the next election cycle.

(h) The registry of election finance shall adopt rules necessary to administer the provisions of this section.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.